
OPINION OF TRUSTEES

In Re

Complainant: Disabled Employee
Respondent: Employer
ROD Case No: 88-657 - June 1, 1993

Board of Trustees: Michael H. Holland, Chairman; Thomas F. Connors, Trustee; Marty D. Hudson, Trustee; Robert T. Wallace, Trustee.

The Trustees have reviewed the facts and circumstances of this dispute concerning the provision of health benefits coverage for an Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant began working in a classified position for the Respondent in August 1985 and last worked in a classified position on November 1, 1991 when the mine was idled. The Complainant was recalled to work on November 17, 1991 but was unable to return to work due to illness. On November 18, 1991 the Complainant underwent surgery to have a pacemaker implant. Funds' records indicate that the Complainant worked more than 2,000 hours during the 24-month period prior to November 1, 1991. The Respondent provided Sickness and Accident (S&A) benefits from November 18, 1991 through May 17, 1992. The Respondent laid off its Employees and ceased operations at the end of December 1991. According to information provided to the Funds, the Complainant's health benefits coverage was cancelled effective February 1, 1992.

The Complainant contends that the Respondent is required to provide health benefits coverage beyond February 1, 1992 for the remainder of his period of eligibility under the terms of the Employer Benefit Plan. The Complainant has submitted copies of unpaid medical bills incurred from February 1992 through June 1992, along with notices from collection agencies for payment due.

Dispute

Is the Respondent required to provide continued health benefits coverage for the Complainant beyond February 1, 1992?

Position of the Parties

Position of the Complainant: The Respondent is required to provide health benefits coverage for the Complainant beyond February 1, 1992.

Position of the Respondent: The Respondent has not responded to repeated correspondence from Funds' staff requesting its position in this dispute.

Pertinent Provisions

Article XI Sections (b) and (c) of the National Bituminous Coal Wage Agreement of 1988 provide in pertinent part:

Section (b) Eligibility

Any Employee with six (6) months or more of classified employment with the Employer who becomes disabled as a result of sickness or accident, so as to be prevented from performing his regular classified job, and whose disability is certified by a physician legally licensed to practice medicine, shall be eligible to receive Sickness and Accident Benefits under this Plan.

Section (c) Commencement and Duration of Benefits

Benefits for disability resulting from sickness shall be payable according to the following schedule:

<u>Length of Classified Employment with the Employer at Date Disability Commences</u>	<u>Maximum Number of Weeks</u>
At least 6 months but less than 1 year	6
At least 1 year	13
At least 5 years but less than 10 years	26
At least 10 years but less than 15 years	39
15 years or more	52

Article I (1), (2) and (4) of the Employer Benefit Plan provide:

Article I - Definitions

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (Employer's Name).
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1988, as amended from time to time and any successor agreement.

- (4) "Employee" shall mean a person working in a classified job for the Employer, eligible to receive benefits hereunder.

Article II C. (3) of the Employer Benefit Plan provides:

Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III are as follows:

C. Disabled Employees

In addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II, health benefits under Article III shall also be provided to any Employee who:

- (3) Is receiving or would, upon proper application, be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement.

Life and accidental death and dismemberment insurance shall also be provided to Employees described in (3) above.

Article III D. (1) (a), (b) and (d) of the Employer Benefit provide:

Article III - Benefits

D. General Provisions

(1) Continuation of Coverage

(a) Layoff

If an Employee ceases work because of layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

<u>Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's Date Last Worked</u>	<u>Period of Coverage Continuation from</u>
2000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months

Less than 500 hours

30 days

(b) Disability

Except as otherwise provided in Article II, section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (I) the period of eligibility for Sickness and Accident benefits, or (ii) the period as set forth in the schedule in (a) above.

(d) Maximum Continuation of Coverage

In no event shall any combination of the provisions of (a), (b), (c), (e) or (g) above result in continuation of coverage beyond the balance of the month plus 12 months from the date last worked.

Discussion

Article II C. (3) of the Employer Benefit Plan provides health benefits coverage for a disabled Employee who is receiving or would be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement. In addition, Article III D.(1) (b) provides that an Employee who ceases work because of disability will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period based on the number of hours worked as set forth in Article III D. (1) (a). Under Article XI of the 1988 Wage Agreement, the Complainant, who ceased work because of disability resulting from sickness and whose length of classified employment with the Respondent was 6 years, is eligible for Sickness and Accident Benefits for a maximum of 26 weeks. Under Article III D. (1) (a) of the Employer Benefit Plan, the Complainant is entitled to continued benefits coverage for the balance of November 1991 plus 12 months, or through November 1992. Inasmuch as Article III D. (1) (a) provides continued benefits coverage for the greater of these two periods, the Complainant qualifies for benefits coverage for up to 12 months beyond November 1991, the maximum period allowed under Article III. D., provided the Complainant remains disabled.

Opinion of the Trustees

The Respondent is required to provide health benefits coverage for the Complainant and his eligible dependents for the remainder of his period of eligibility beyond February 1, 1992 up to November 31, 1992, consistent with the terms of the Employer Benefit Plan.